

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 3416

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2019

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 3416, with committee amendments.

As amended, this bill clarifies that the provisions of the “New Jersey Residential Mortgage Lending Act,” (NJRMLA) sections 1 through 39 of P.L.2009, c.53 (C.17:11C-51 through C.17:11C-89) also apply to residential mortgage lenders, residential mortgage brokers, mortgage loan originators, and other persons and entities that are located out-of-State, provided that they are otherwise required to be licensed pursuant to the provisions of that act.

The NJRMLA protects New Jersey consumers and the stability of New Jersey’s economy by applying certain standards for the licensing and business practices of residential mortgage lenders, brokers, and loan originators and by providing the Department of Banking and Insurance broad administrative authority to oversee the operation of the mortgage lending industry in the State.

Additionally, the bill provides that when lenders provide notice of the intent to accelerate the maturity of a residential mortgage obligation, or commence a foreclosure or other legal action to take possession of a residential property, the lender is required to include information in the notice advising the recipient that the lender is licensed in accordance with the NJRMLA.

COMMITTEE AMENDMENTS:

The committee amendments require lenders, when providing notice of the intent to accelerate the maturity of a residential mortgage obligation, or commence a foreclosure or other legal action to take possession of a residential property, to include information in the notice advising the recipient that the lender is licensed in accordance with the NJRMLA.